Message Text

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TO SECSTATE WASHDC 4279

INFO AMEMBASSY BANGKOK

AMEMBASSY JAKARTA

AMEMBASSY SINGAPORE

AMEMBASSY TOKYO

AMEMBASSY BRUSSELS

USMISSION GENEVA

CINCPAC

AMEMBASSY KUALA LUMPUR

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CINCPAC FOR POLAD

E.O. 11652: GDS

TAGS: PFOR, EGEN, RP, JP, ASEAN

SUBJECT: PATERNO'S VIEWS ON FUKUDA TRIP TO ASEAN

REF: MANILA 13101

SUMMARY: GOP SECRETARY OF INDUSTRY PATERNO CHARACTERIZED FUKUDA'S TRIP TO ASEAN (AND BURMA) AS HISTORICALLY SIGNIFICANT, FOR IT CLOSES THE CHAPTER OF POSTWAR JAPANESE RELATIONS. HE BELIEVED THAT JAPAN HAS NOW ACCEPTED ITS OBLIGATIONS AS AN ECONOMIC POWER, PARTICULARLY TO ASSIST ASEAN DEVELOPMENT. FUKUDA WAS IMPRESSIVE AND BRILLIANT STATESMAN WHO HAD A COMPREHENSIVE VIEW OF JAPAN'S ROLE IN HISTROY. END SUMMARY.

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1. DURING CALL BY ACTING E/C COUNSELOR ON AUGUST 25, SECRETARY OF INDUSTRY PATERNO CHARACTERIZED FUKUDA'S MEETING WITH ASEAN LEADERS AND HIS SUBSEQUENT TRIP IN THE REGION AS HISTORICALLY SIGNFICANT, FOR IT MARKED THE OPENING OF A NEW CHAPTER IN JAPANESE RELATIONS WITH SOUTHEAST ASIA. JAPANESE THEMSELVES HAVE REFERRED TO THESE DEVELOPMENTS AS

CLOSING THE CHAPTER ON THE IMMEDIATE POSTWAR STATE OF RELATIONS, WHICH WAS GOVERNED LARGELY BY THE HATRED AND RESENTMENT ARISING OUT OF WORLD WAR II AND SO APTLY SYMBOLIZED BY THE REPARATIONS PAYMENTS. THE REPARATIONS ARE OVER, AND SO IS THAT CHAPTER. THAT IS THE REASON, ACCORDING TO PATERNO, THAT FUKUDA INCLUDED NON-ASEAN BURMA IN HIS ITINERARY.

- 2. PATERNO WAS GREATLY IMPRESSED WITH FUKUDA AND DESCRIBED HIM AS A BRILLIANT MAN WHO HAS A COMPREHENSIVE VIEW OF JAPAN'S ROLE IN HISTORY. HIS SPEECH IN MANILA WAS EXCELLENT. PATERNO ADDED THAT THE SPEECH WOULD NOT HAVE GONE OVER WELL WITH EUROPEANS, BUT WE (ASIANS) UNDERSTOOD WHAT HE MEANT BY HEART-TO-HEART COMMUNICATIONS. AS AN ASIDE, PATERNO EXPLAINED THAT "THE TUNNEL STORY" (SEE PARA 11 REFTEL) WHICH FUKUDA TOLD THE PRESIDENT REFERS TO THE JAPANESE HABIT OF SPEECHMAKING TO FOREIGN AUDIENCES -- THAT IS, THE SPEAKER BEGINS IN JAPANESE (AND EMITS LIGHT), THEN THE INTERPRETER READS THE BODY OF THE SPEECH IN ENGLISH (WHICH IS DARKNESS TO THE JAPANESE SPEAKERS), AND THE SPEAKER ENDS THE SPEECH WITH ENLIGHENMENT.
- 3. PATERNO BELIEVED THAT FUKUDA'S COMMITMENT OF \$1 BILLION FOR THE ASEAN INDUSTRIAL PROJECTS AND COMMITMENT TO DOUBLE ODA ASSISTANCE TO ASEAN COUNTRIES THEREFORE MARKED A MOVE AWAY FROM THE PREVIOUSLY NARROS ECONOMIC CONSIDERATIONS WHICH CONFIDENTIAL

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MOTIVATED JAPANESE POLICY. THE GOJ HAS NOW ACCEPTED ITS OBLIGATIONS AS AN ECONOMIC POWER, PARTICULARLY TO ASSIST IN ASEAN DEVELOPMENT. PATERNO THOUGHT THAT FUKUDA'S COMMITMENTS WERE FIRM AND HE DID NOT BELIEVE THE DIET OR THE BUREAUCRACY COULD FRUSTRATE DELIVERY OF THOSE PROMISES WITHOUT GREAT LOSS OF FACE TO JAPAN AND ATTENDANT ADVERSE REACTION.

- 4. ON THE ASEAN SUMMIT ITSELF, PATERNO CHARACTERIZED THE ECONOMIC RESULTS AS "NOT BAD." HE DID NOT ADD MUCH THAT IS NEW, BUT DID CONFIRM THAT SINGAPORE, PHILIPPINES AND THAILAND HAD THOUGHT OF PUBLICLY ANNOUNCING THE EXTENSIONOF THEIR TARIFF CUTTING SCHEME ON 1,758 ITEMS TO INDONESIA AND MALAYSIA. HOWEVER, THEY REALIZED IT WOULD BE PROVACTIVE AND WITHDREW FROM THE IDEA. AS A MATEER OF FACT, THE THREE COUNTRIES NOW PLAN NO PUBLIC ANNOUNCEMENT BUT WILL SIMPLY ACCORD THE OTHER TWO COUNTRIES ASEAN MFN TREATMENT ON THESE ITEMS.
- 5. PATERNO SAID THAT THE ASEAN ECONOMIC MINISTERS WOULD MEET IN PATTAYA TO FINALIZE THEIR POSITIONS FOR THE US/ASEAN ECONOMIC CONSULTATIONS. HE WAS THINKING OF SEEKING THE VIEWS OF HIS COLLEAGUES ON U.S. COOPERATION ON UPGRADING

ASEAN SHIPPING, PERHAPS THROUGH SEATAC. HE MENTIONED THAT THAT THE GOP HAD OBTAINED GOI PERMISSION FOR PHILIPPINE SHIPS TO GO DIRECT TO EAST INDONESIAN PORT DISTINATIONS RATHER THAN OFFLOAD THEIR CEMENT IN JAKARTA.

6. ON FUKUDA'S VISIT TO MANILA, PATERNO DENIED THAT THE GOP HAD PRESENTED A SHOPPING LIST OF PROJECTS FOR GOJ FINANCING. HE SAID THE HOP HAD INFORMED THE JAPANESE OF THESE PROJECTS, AND THE JAPANESE HAD AGREED TO LOOK INTO THEM WHEN SPECIFIC REQUESTS ARE PRESENTED. STULL

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